

FISCAL NOTE WORKSHEET (Revised Nov. 2006)

Agency: Utah State Office of Education
Ben Leishman
 Requested By

Bill Number SB48 1st Substitute

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Fax/Electronic Mail Transmittal

Date:	<u>January 24, 2008</u>
Name:	<u>Ben Leishman</u>
Fax Number:	

Please return to Fiscal Analyst by: January 24, 2008

TITLE OF BILL: EQUALIZATION OF SCHOOL CAPITAL OUTLAY FUNDING by Senator Dan R. Eastman

This Bill Takes Effect: ☐ On Passage ☒ On July 1 ☐ 60 Days after session ☐ Other _____

Bill Carries Own Appropriation: ☒

FISCAL IMPACT OF PROPOSED LEGISLATION

A. Revenue Impact by Source of Funds:

First Year

Second Year

	First Year	Second Year
1. General Fund		
2. Uniform School Fund - Free Revenue		
3. Transportation Fund		
4. Collections		
5. Other Funds (List Below)		
6 Local Funds		
7. TOTAL	\$0	\$0

B. Expenditure Impact by Source of Funds:

1. General Funds		
2. Uniform School Fund - Free Revenue	\$55,788,900	\$55,788,900
3. Transportation Fund		
4. Collections		
5. Other Funds (List Below)		
6 Local Funds		
7. TOTAL	\$55,788,900	\$55,788,900

C. Expenditure Impact Summary:

1. Salaries, Wages and Benefits		
2. Travel		
3. Current Expenses		
4. Capital Outlay <u>Capital Outlay and Enrollment Growth Fundin</u>	\$55,788,900	\$55,788,900
5. Other (Specify)		
6. TOTAL	\$55,788,900	\$55,788,900

D. Impact in Future Years?

If no fiscal impact in first two years, indicate if there will be any impact in future years, and explain. Also, indicate any significant changes in fiscal impact beyond the first two years. (Use back side, if necessary.)

Cathy Dudley	MSP Budget and Property Tax Specialist	538-7667	January 24, 2008
Prepared By	Title	Agency USOE Phone No.	Date

E. Identify Sections of the Bill That Will Generate the Additional Workload or Cost Increase**F. Expenditure Impact Details (Ties to totals in Section C)**

List and document methodology and/or assumptions used in determining need for workload and cost increase.
List number, type, and step ranges of personnel required, including benefits.
List details of other impacted expenditure categories as shown in Section C.
List additional space requirements and cost associated with requirements of this bill.
(USE ATTACHMENTS IF NECESSARY.)

G. No Fiscal Impact or Will Not Require Additional Appropriations?

Specify why this bill will have no fiscal impact on your agency or institution.
Specify how you will reallocate workloads, resources, or funding sources to eliminate need for additional appropriations. (USE ATTACHMENTS IF NECESSARY.)

H. If Bill Carries It's Own Appropriation:

Indicate if the amount appropriated is adequate to meet the purposes of the bill.
Are there future additional costs anticipated beyond the appropriation in the bill?
This legislation increases the Capital Outlay Foundation Program by \$28,500,000 for a total of \$52,858,000 and funds the Enrollment Growth Program for \$2,930,000. The additional funds allow current benefitting school districts to receive more funds than they are receiving in the existing, ongoing Capital Outlay Foundation program. As the attached spreadsheet shows, using the same tax collection numbers, WPU's, and tax rates as calculated for the FY08 year, but changing the tax rate limit to 0.003000, as specified in the legislation, the same number of school districts receive funding but at a higher amount.

The current statute holds school districts harmless if they have levied the 0.002400 tax rate in the previous two years. It may be beneficial for districts, under this proposed legislation, to have some sort of transition period for the hold harmless to the new 0.003000 level.

I. Impact on Local Governments, Businesses, Associations, and Individuals

Specify requirements in the bill that drive the impact on local governments.
Indicate costs or savings that are **DIRECT and MEASURABLE**. If direct and measurable data are not available, are there areas that potentially could have a fiscal impact? (USE ATTACHMENT IF NECESSARY.)
Local School Districts/Charter Schools:

The school districts who are receiving funds in the current Capital Outlay Foundation program would receive more funding due to the increase in the appropriation.

Businesses and Associations:

Individuals:

Narrative Description of Bill:

This legislation increases the limit of a school districts' combined capital levy rate from 0.0024 to 0.0030 in order for school districts to qualify for the Capital Outlay Foundation Program funding. This combined capital levy rate consists of a capital outlay levy, debt service levy, voted capital outlay levy, and a portion of the 10% of basic levy designated for debt service or capital outlay. This bill also increases the legislative appropriation for the Capital Outlay Foundation Program from \$24,358,000 to \$52,858,000 and appropriates \$2,930,900 for the Enrollment Growth program which has been an ongoing appropriation.

This legislation updates statutory references and definitions, repeals UCA 53A-21-103 and creates UCA 53A-21-201, Capital Outlay Foundation Program, and UCA 53A-21-301, Enrollment Growth Program. This bill also defines what the appropriation can be used for.

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.

This fiscal note input draft does not imply endorsement of this bill by the State Board of Education or USOE.